

HOUSE BILL REPORT

HB 2024

As Reported by House Committee On:
Higher Education

Title: An act relating to the University of Washington school of law public service legal loan repayment assistance program.

Brief Description: Regarding the University of Washington law school loan repayment assistance program.

Sponsors: Representatives Darneille, Jarrett, Goodman, Eddy, Pedersen, Hudgins, Williams, Lantz, Kessler, Appleton, Clibborn, Hasegawa, Upthegrove, O'Brien, McDermott and Ormsby.

Brief History:

Committee Activity:

Higher Education: 2/12/07, 2/27/07 [DP].

Brief Summary of Bill

- Provides for an appropriation of funds to the Loan Repayment Assistance Program at the University of Washington School of Law, and attaches requirements to such appropriation of funds.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass. Signed by 8 members: Representatives Wallace, Chair; Sells, Vice Chair; Buri, Assistant Ranking Minority Member; Hasegawa, Jarrett, McIntire, Roberts and Sommers.

Minority Report: Do not pass. Signed by 1 member: Representative Anderson, Ranking Minority Member.

Staff: Andrew Colvin (786-7304).

Background:

Personal finances are a factor when a law student is deciding what type of law to practice

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and where to work. According to the University of Washington School of Law (School of Law), 178 students graduated with a Juris Doctor degree in the 2005-06 academic year. Of those graduates, 131 took at least one law school loan. The average law school loan debt-load for those students upon graduation was \$59,000.

This type of debt-load prevents some attorneys from accepting offers for public interest law jobs because the salaries in these fields frequently are substantially less than in other areas of the law. As a result, there may be attorney shortages and high turnover rates in areas of the law representing the public interest.

To encourage students to enter the teaching and health care professions, the Legislature has created conditional loan scholarship programs in various areas. These programs offer incentives to individuals who serve in shortage areas in Washington, such as rural areas in need of health professionals and areas in need of teachers with specific endorsements.

The Public Interest Law Association (PILA) is a Washington nonprofit operated entirely by the School of Law students. According to the PILA, its purpose is to promote legal work that serves the public, alleviates suffering, and improves the quality of life for individuals in our community and elsewhere. To that end, the PILA works to raise awareness about the need for pro-bono and full-time public interest legal work.

In January 2006, the University of Washington and the PILA entered into an agreement to establish the Loan Repayment Assistance Program Endowment Fund at the School of Law. The purpose of the fund is to provide student loan repayment assistance to students and/or former students with demonstrated educational debt and financial need. According to the PILA, the fund presently has a balance of approximately \$75,000, which allows for \$3,750 to be given annually to eligible students.

Summary of Bill:

Provides for an appropriation of funds from the State General Fund to the Loan Repayment Assistance Program Endowment Fund (Endowment Fund) at the School of Law. Also, the School of Law is required to report to the Legislature by December 1, 2008, and every two years thereafter, concerning the status of the Endowment Fund and the Loan Repayment Assistance Program (Program). The Program shall be available to otherwise eligible graduates who work in public interest or government positions. Finally, in the rules for administering the program, the School of Law is required to make provisions for cases of hardship or exceptional circumstances.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) This bill is about equal civil justice and access. The Washington Task Force Study on Civil Legal Needs shows that there is a lack of access to the legal system for low-income people in our state. The high cost of law school, and the large loans many law students must take to pay for it, creates financial barriers for graduates who want to go into public interest or public sector law.

We have one of the finest law schools in the country, but it has one of the worst Loan Repayment Assistance Programs (Program). The President of the University of Washington as well as the Dean of the Law School support this bill. The University of Washington School of Law is one of only two in the top 30 law schools in the country without a Program. Graduating from law school with \$90,000 in debt makes it difficult to take many public sector jobs because the salary is not enough to provide for daily living as well as the large loan payment. This makes it difficult for public sector and private nonprofit agencies to recruit and retain lawyers. Public interest lawyers can help with a wide variety of issues. The Public Interest Law Association has worked hard to raise funds, but that has not been enough. The seed money provided through this bill will make it easier to secure donations and continue to build the Program on its own.

(Opposed) None.

Persons Testifying: (In support) Christal Wood, Sonja Jacobsen, Gaurab Bansal, Richelle Little, and Tom Graham, University of Washington School of Law.

Persons Signed In To Testify But Not Testifying: None.